

# Assembly California Legislature

May 30, 2008

Mary D. Nichols, Chairperson  
California Air Resources Board  
1001 'I' Street • P.O. Box 2815  
Sacramento, CA 95812

**RE: AB 32 Scoping Plan – FEEBATES as a Transportation Sector Strategy**

Dear Chairperson Nichols:

We are writing to urge the California Air Resources Board (CARB) to include in the AB 32 scoping plan a clear and explicit appeal to the state legislature for authorization and direction to create a vehicle feebates program that will reduce emissions of global warming pollution from within the transportation sector.

As you know, a feebates mechanism is a market-oriented solution that would assign one-time surcharges and rebates on new passenger cars and light trucks on essentially a sliding scale based on their greenhouse gas emissions. The rebates and surcharges act as incentives for consumers to purchase, and for manufacturers to produce, cleaner, lower-emitting vehicles.

According to the Union of Concerned Scientists and other supporters, a vehicle feebates program can work well independently or in conjunction with existing vehicle GHG emission regulations. Feebates would allow drivers to save thousands of dollars in fuel costs, while also wiping out millions of tons of cumulative global warming pollution over the next decade.

An effective feebates program would entail several key features: First and foremost, the program should be designed to achieve the maximum feasible and cost-effective global warming emission reductions, consistent with AB 32. The program should be self-financing, so that the surcharges pay for the rebates and agency administrative costs. The dollar levels should be sufficient to affect behavior—whether at the manufacturer or retail level. The feebates program should be consistent with the state's efforts to improve air quality and ensure that no loss of emissions benefits occurs for any criteria pollutant as the result of any specific feebates program design consideration.



We strongly support the inclusion of a feebates program as part of the implementation of AB 32. A feebates program will show that the market can be influenced in a positive direction through appropriate incentives, while working to compliment existing vehicle regulations.

Thank you for considering our input.

Sincerely,

De Rusini

Wm Russell

Jack Hoffman  
Tom de Krom

Lori Hancock  
Mike Turner  
Jan Cuth

John Laird

Betty Karmette

Dan Jon

Kim Bass

Mike Eng

[Signature]

Sally Philp

Sai Saldana

Quinn K.

Mark Sgro

Gen Druce



Noreen Ew

Anthony J. Portantino

Shirley Farnham

Paul Krikorian

Mary Sales



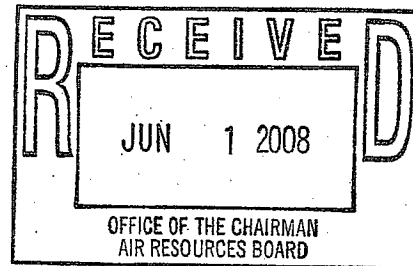
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Assemblymembers in Signing Order, Left to Right

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Jared Huffman  
Kevin De León  
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Betty Karnette  
Karen Bass, Speaker  
Fiona Ma  
Lori Saldaña  
Noreen Evans  
Julia Brownley  
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Mike Eng  
Sally Lieber  
Curren Price  
Anthony Portantino

ORIGINAL: Board Clerk  
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Chair



cc: James Goldstene, Executive Director, California Air Resources Board  
cc: Robert Oglesby, Legislative Director, California Air Resources Board  
cc: Chris Kahn, Governor's Legislative Affairs Secretary

